GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:3048
ANSWERED ON:12.08.2005
LOAN TO FARMERS BY RRBS
Renge Patil Shri Tukaram Ganpatrao;Thummar Shri Virjibhai

Will the Minister of FINANCE be pleased to state:

(a) the number of small farmers belonging to SC/ST/OBC categories provided loans by Regional Rural Banks particularly in scheduled tribe and backward areas of various States of the country for installation of tubewells during the last three years till date;

(b) the measures taken by the Government to ensure that loan to farmers is provided by RRBs without any difficulty; and

(c) the success achieved by the Government as a result of the measures taken in this regard?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF FINANCE (SHRI S.S.PALANIMANICKAM)

(a): The existing system does not generate such type of information. However, loans provided to SC/ST by Regional Rural Banks (RRBs) during the year 2001-2002, 2002-2003 and 2003-2004 are as under:

	No of Accounts	Amount (Rs Lakhs)
2001-2002	456447	87116.08
2002-2003	613989	101629.85
2003-2004	459872	129933.76

(b): Various steps have been taken to ensure easy flow of credit to farmers. These, inter alia, include: -

Banks have been advised to simplify procedures while providing loans to farmers at reasonable rates of interest and use their discretion in respect of margin money and security norms. Loans upto to Rs 50000/- are free from collateral and margin requirements.

Branch Managers have been delegated adequate powers to expeditiously sanction loans to farmers at their level itself.

Instructions have been issued that the Kisan Credit Cards (KCCs), may be issued within 15 days of receiving application.

The progress in sanction of loans and pendency is also reviewed at the Block level and District level Bankers Committee meetings.

(c): There has been a constant growth of lending under agriculture sector during the last three years as indicated below: Agriculture Loans:

	2002-03	2003-04	2004-05
Loans issued under agriculture (Rs crore)	5879.05	7174.97	11718.17

The performance of RRBs with regard to Kisan Credit Cards (KCCs) and organising farmers clubs are as under:

	31 March 2004	4 February 2005
A) KCC by RRBs	1274289	1447585
B) Farmers clubs by RRBs	4897	6185